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I

106TH CONGRESS
1ST SESSION

H. R. 1073

To amend title IV of the Stewart B. McKinney Homeless Assistance Act to consolidate the Federal programs for housing assistance for the homeless into a block grant program that ensures that States and communities are provided sufficient flexibility to use assistance amounts effectively.

IN THE HOUSE OF REPRESENTATIVES

MARCH 11, 1999

Mr. LAZIO (for himself and Mr. FRANK of Massachusetts) introduced the following bill; which was referred to the Committee on Banking and Financial Services

A BILL

To amend title IV of the Stewart B. McKinney Homeless Assistance Act to consolidate the Federal programs for housing assistance for the homeless into a block grant program that ensures that States and communities are provided sufficient flexibility to use assistance amounts effectively.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Homeless Housing
5 Programs Consolidation and Flexibility Act”.

1 **SEC. 2. FINDINGS; PURPOSE.**

2 (a) FINDINGS.—The Congress finds that—

3 (1) the United States faces a crisis of individ-
4 uals and families who lack basic affordable housing
5 and appropriate shelter;

6 (2) assistance from the Federal Government is
7 an important factor in the success of efforts by
8 State and local governments and the private sector
9 to address the problem of homelessness in a com-
10 prehensive manner;

11 (3) there are a multitude of Federal Govern-
12 ment programs to assist the homeless, including pro-
13 grams for elderly persons, persons with disabilities,
14 Native Americans, and veterans;

15 (4) many of the Federal programs for the
16 homeless have overlapping objectives, resulting in
17 multiple sources of Federal funding for the same or
18 similar purposes;

19 (5) while the results of Federal programs to as-
20 sist the homeless generally have been positive, it is
21 clear that there is a need for consolidation and sim-
22 plification of such programs to better support local
23 efforts;

24 (6) increasing resources available to reduce
25 homelessness are utilized in the development of serv-
26 ices rather than the creation of housing;

1 (7) housing programs must be evaluated on the
2 basis of their effectiveness in reducing homelessness,
3 transitioning individuals to permanent housing and
4 self-sufficiency, and creating an adequate plan to
5 discharge homeless persons to and from mainstream
6 service systems;

7 (8) effective homelessness treatment should pro-
8 vide a comprehensive housing system (including
9 transitional and permanent housing) and, while not
10 all homeless individuals and families attain self-suffi-
11 ciency and independence by utilizing transitional
12 housing and then permanent housing, in many cases
13 such individuals and families are best able to reenter
14 society directly through permanent, supportive hous-
15 ing;

16 (9) supportive housing activities support home-
17 less persons in an environment that can meet their
18 short-term or long-term needs and prepare them to
19 reenter society as appropriate;

20 (10) homelessness should be treated as part of
21 a symptom of many neighborhood and community
22 problems, whose remedies require a holistic approach
23 integrating all available resources;

1 (11) there are many private sector entities, par-
2 ticularly nonprofit organizations, that have success-
3 fully operated homeless programs;

4 (12) employment programs for homeless per-
5 sons, particularly those who are able-bodied, can be
6 effective in helping homeless persons reenter the
7 workplace and, therefore, such programs should be
8 emphasized as a supportive service;

9 (13) government restrictions and regulations
10 may discourage and impede innovative approaches to
11 homelessness, such as coordination of the various
12 types of assistance that are required by homeless
13 persons; and

14 (14) the Federal Government has a responsibil-
15 ity to establish partnerships with State and local
16 governments and the private sector to address com-
17 prehensively the problems of homelessness.

18 (b) PURPOSE.—It is the purpose of this Act—

19 (1) to consolidate the existing housing pro-
20 grams for homeless persons under title IV of the
21 Stewart B. McKinney Homeless Assistance Act into
22 a single block grant program for housing assistance
23 for the homeless;

(2) to allow flexibility and creativity in rethinking solutions to homelessness, including alternative housing strategies and an improved service sector;

(3) to provide Federal assistance to reduce homelessness on a basis that requires recipients of such assistance to supplement the federally provided amounts and thereby guarantee the provision of a certain level of housing and complementary services necessary to meet the needs of the homeless population; and

(4) to ensure that multiple Federal agencies are involved in the provision of housing, human services, employment, and education assistance both through the funding provided for implementation of the Stewart B. McKinney Homeless Assistance Act and mainstream funding and to encourage entrepreneurial approaches in the provision of housing for homeless people.

SEC. 3. GENERAL PROVISIONS.

Title I of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11301 et seq.) is amended—

(1) by striking section 102;

(2) in section 103—

(A) in subsection (a), by striking “the term ‘homeless’ or ‘homeless individual or

1 homeless person' includes" and inserting "the
2 terms 'homeless individual' and 'homeless per-
3 son' include"; and

4 (B) in subsection (c), by striking "the term
5 'homeless' or 'homeless individual' does not in-
6 clude" and inserting "the terms 'homeless indi-
7 vidual' and 'homeless person' do not include";
8 and

9 (3) by redesignating sections 103, 104, and 105
10 as sections 102, 103, and 104, respectively.

11 **SEC. 4. FEDERAL EMERGENCY MANAGEMENT AGENCY**
12 **FOOD AND SHELTER PROGRAM.**

13 Section 322 of the Stewart B. McKinney Homeless
14 Assistance Act (42 U.S.C. 11352) is amended to read as
15 follows:

16 **"SEC. 322. AUTHORIZATION OF APPROPRIATIONS.**

17 "There are authorized to be appropriated to carry out
18 this title such sums as may be necessary for each of fiscal
19 years 2000, 2001, 2002, 2003, and 2004."

20 **SEC. 5. PERMANENT HOUSING DEVELOPMENT AND FLEXI-**
21 **BLE BLOCK GRANT HOMELESS ASSISTANCE**
22 **PROGRAM.**

23 (a) IN GENERAL.—Title IV of the Stewart B. McKin-
24 ney Homeless Assistance Act (42 U.S.C. 11361 et seq.)
25 is amended to read as follows:

1 **“TITLE IV—PERMANENT HOUS-**
2 **ING DEVELOPMENT AND**
3 **FLEXIBLE BLOCK GRANT**
4 **HOMELESS ASSISTANCE PRO-**
5 **GRAM**

6 **“Subtitle A—General Provisions**

7 **“SEC. 401. PURPOSE; PERFORMANCE MEASURES.**

8 “(a) PURPOSE.—The purpose of the program under
9 this title is to provide assistance for permanent housing
10 development for homeless persons and promote the devel-
11 opment of a comprehensive housing system that transi-
12 tions homeless persons to live as independently as possible,
13 including assistance in the form of permanent housing de-
14 velopment, supportive housing, emergency shelters, sup-
15 portive services, and activities to prevent homelessness.

16 “(b) PERFORMANCE MEASURES.—Consistent with
17 the purposes and requirements of the Government Per-
18 formance and Results Act of 1993, the programs under
19 this title and the implementation of such programs by the
20 Department of Housing and Urban Development shall
21 comply with the following performance goals:

22 “(1) The Federal Government shall ensure an
23 effective grant allocation process and sound financial
24 management of the process. Such grant allocation
25 process shall be implemented to ensure that—

1 “(A) local governments shall work with the
2 appropriate local board to create innovative
3 plans sufficient to address the needs of home-
4 less people in their community; and

5 “(B) all eligible communities receive funds
6 to address the needs of homeless people in such
7 communities through local governments or pri-
8 vate nonprofit organizations.

9 “(2) The financial resources provided under
10 this title shall be used effectively to create more low-
11 cost permanent housing and to transition homeless
12 people to self-sufficiency and permanent housing.

13 “(3) The Federal Government shall use the
14 Interagency Council on the Homeless as a vehicle to
15 coordinate services, programs, and funds to promote
16 the transition of homeless people to self-sufficiency
17 in permanent housing.

18 **“SEC. 402. GRANT AUTHORITY.**

19 “(a) IN GENERAL.—The Secretary may make grants
20 as provided under this title to eligible grantees for States,
21 metropolitan cities, urban counties, and insular areas for
22 carrying out eligible activities under subtitles B and C.

23 “(b) GRANT AMOUNTS.—Except as otherwise pro-
24 vided under this title, amounts for a fiscal year allocated
25 under section 406 shall be used as follows:

1 “(1) INSULAR AREAS.—Any amounts for the
2 fiscal year allocated under section 406(a) for an in-
3 sular area shall be used for a grant to the eligible
4 grantee for the insular area for such fiscal year.

5 “(2) PERMANENT HOUSING DEVELOPMENT.—
6 Any amounts allocated under section 406(b) for use
7 under subtitle B shall be used for grants under sec-
8 tion 406(b)(2) to States, metropolitan cities, and
9 urban counties for such fiscal year.

10 “(3) FLEXIBLE BLOCK GRANT HOMELESS AS-
11 SISTANCE.—Any amounts allocated under section
12 406(c) for a State, metropolitan city, or urban coun-
13 ty, shall be used for a grant under section 406(c) to
14 the eligible grantee for the State, metropolitan city,
15 or urban county, for the fiscal year.

16 “(c) USE FOR ELIGIBLE ACTIVITIES.—Grant
17 amounts provided under this title and any supplemental
18 funds provided under section 407 may be used only as fol-
19 lows:

20 “(1) INSULAR AREA GRANTS.—In the case of a
21 grant under subsection (b)(1) for an insular area,
22 for eligible activities under subtitle C benefiting the
23 insular area.

24 “(2) PERMANENT HOUSING DEVELOPMENT
25 GRANTS.—In the case of a grant under subsection

1 (b)(2) to a State, metropolitan city, or urban county,
2 for eligible activities under subtitle B within the
3 State, metropolitan city, or urban county, respec-
4 tively.

5 “(3) FLEXIBLE BLOCK GRANT HOMELESS AS-
6 SISTANCE.—In the case of a grant under subsection
7 (b)(3) for a State, metropolitan city, or urban coun-
8 ty, for eligible activities under subtitle C benefiting
9 the State, metropolitan city, or urban county, and
10 carried out only within nonentitlement areas of the
11 State, within the metropolitan city, or county, re-
12 spectively, or within a metropolitan city or county
13 that borders on the metropolitan city or county re-
14 ceiving the grant, as applicable.

15 **“SEC. 403. ELIGIBLE GRANTEES.**

16 “For purposes of this title, the term ‘eligible grantee’
17 has the following meaning:

18 “(1) GRANTS FOR INSULAR AREAS.—In the
19 case of a grant from amounts allocated under sec-
20 tion 406(a) for an insular area, such term means—

21 “(A) the insular area, or an agency, office,
22 or other entity of the area; or

23 “(B) to the extent that an entity that is a
24 private nonprofit organization is authorized by
25 the government of the insular area to act as the

1 grantee for the area for purposes of this title,
2 such private nonprofit entity.

3 “(2) GRANTS FOR PERMANENT HOUSING DE-
4 VELOPMENT AND FLEXIBLE ASSISTANCE.—In the
5 case of a grant from amounts allocated under sec-
6 tion 406(b) or section 406(c) for a State, metropoli-
7 tan city, or urban county, such term means—

8 “(A) the State, metropolitan city, or urban
9 county, respectively, or an agency, office, or
10 other entity of the State, city, or county, re-
11 spectively; and

12 “(B) to the extent that a private nonprofit
13 organization is authorized by the government of
14 the State, metropolitan city, county to act as
15 the grantee for the State, metropolitan city, or
16 county, respectively, for purposes of this title,
17 such private nonprofit organization.

18 **“SEC. 404. USE OF PROJECT SPONSORS.**

19 “(a) TRANSFER OF GRANT AMOUNTS BY GRANT-
20 EES.—Eligible activities assisted with grant amounts pro-
21 vided under this title may be carried out directly by the
22 grantee or by other entities serving as project sponsors
23 which are provided such grant amounts by the grantee or
24 a subgrantee of the grantee.

1 “(b) COMPETITIVE SELECTION CRITERIA.—To the
2 extent that a grantee does not use grant amounts for eligi-
3 ble activities carried out directly by the grantee, the grant-
4 ee shall select eligible activities for assistance and project
5 sponsors to carry out such eligible activities pursuant to
6 a competition based on criteria established by the Sec-
7 retary, which shall include—

8 “(1) whether the project sponsor that will carry
9 out the activity is financially responsible;

10 “(2) the ability of the project sponsor to carry
11 out the eligible activity and the project sponsor’s ex-
12 perience in successfully transitioning homeless per-
13 sons into stable, long-term housing;

14 “(3) the need for the type of eligible activity in
15 the area to be served;

16 “(4) the extent to which the amount of assist-
17 ance to be provided with grant amounts will be sup-
18 plemented with resources from other public and pri-
19 vate sources;

20 “(5) the cost-effectiveness of the proposed eligi-
21 ble activity, considered in relation to the ultimate
22 goal of moving people out of homelessness perma-
23 nently, including consideration of high-cost area
24 services, and other necessary amenities;

1 “(6) the extent to which the project sponsor
2 carrying out the eligible activity—

3 “(A) will coordinate with Federal, State,
4 local, and private entities serving homeless per-
5 sons in the development of a comprehensive
6 housing system and in the planning and oper-
7 ation of the activity; and

8 “(B) will, pursuant to section 408(m)(3),
9 carry out the activity in coordination and con-
10 junction with federally funded activities for the
11 homeless;

12 “(7) the extent to which the project sponsor
13 employs homeless persons or involves homeless per-
14 sons or formerly homeless persons in the operation
15 and design of its programs; and

16 “(8) such other factors as the Secretary deter-
17 mines to be appropriate to carry out this title in an
18 effective and efficient manner.

19 **“SEC. 405. COMPREHENSIVE HOUSING AFFORDABILITY**
20 **STRATEGY COMPLIANCE.**

21 “A grant under this title may be provided to an eligi-
22 ble grantee only if—

23 “(1) the applicable jurisdiction for which the
24 grant amounts are allocated under section 406 has
25 submitted to the Secretary a comprehensive housing

1 affordability strategy in accordance with section 105
2 of the Cranston-Gonzalez National Affordable Hous-
3 ing Act and any other requirement established by
4 the Secretary and which is in effect for the fiscal
5 year for which such grant amounts are to be pro-
6 vided; and

7 “(2) the public official of such applicable juris-
8 diction who is responsible for submitting the com-
9 prehensive housing affordability strategy required by
10 paragraph (1) certifies to the Secretary that the eli-
11 gible activities to be assisted with such grant
12 amounts are or will be consistent with such com-
13 prehensive housing affordability strategy, including
14 the plans in such strategy for addressing housing
15 needs for homeless families.

16 **“SEC. 406. ALLOCATION AND AVAILABILITY OF AMOUNTS.**

17 “(a) ALLOCATION FOR INSULAR AREAS.—Of the
18 amount made available for grants under this title for a
19 fiscal year, the Secretary shall reserve for grants for each
20 of the insular areas amounts in accordance with an alloca-
21 tion formula established by the Secretary.

22 “(b) ALLOCATION FOR PERMANENT HOUSING DE-
23 VELOPMENT GRANTS UNDER SUBTITLE B.—

24 “(1) ANNUAL PORTION OF APPROPRIATED
25 AMOUNT AVAILABLE.—Of the amount made avail-

1 able for grants under this title for a fiscal year that
2 remains after amounts are reserved under subsection
3 (a), the Secretary shall allocate for use under sub-
4 title B, 30 percent of such funds.

5 “(2) GRANTS.—Using the amounts allocated for
6 use under subtitle B for a fiscal year, the Secretary
7 shall make grants to States, metropolitan cities, and
8 urban counties pursuant to a national competition
9 based on the criteria specified in section 404(b) and
10 in accordance with such other factors and proce-
11 dures as the Secretary determines to be appropriate
12 to carry out this title in an effective and efficient
13 manner.

14 “(3) LIMITATION.—In making grants using
15 amounts allocated for use under subtitle B for any
16 fiscal year, the Secretary shall ensure that not more
17 than 35 percent of the total amount allocated for
18 such use for such fiscal year is used for activities
19 under section 441 of this Act, as in effect on Octo-
20 ber 31, 1998.

21 “(c) ALLOCATION FOR FLEXIBLE BLOCK GRANT
22 HOMELESS ASSISTANCE UNDER SUBTITLE C.—

23 “(1) ANNUAL PORTION OF APPROPRIATED
24 AMOUNT AVAILABLE FOR SUBTITLE C ACTIVITIES.—
25 Of the amount made available for grants under this

1 title for a fiscal year that remains after amounts are
2 reserved under subsection (a), the Secretary shall al-
3 locate for use under subtitle C 70 percent of such
4 funds.

5 “(2) ALLOCATION OF AMOUNT AVAILABLE BE-
6 TWEEN METROPOLITAN CITIES AND URBAN COUN-
7 TIES AND STATES.—Of the amount allocated pursu-
8 ant to paragraph (1) for use under subtitle C for a
9 fiscal year, 70 percent shall be allocated for metro-
10 politan cities and urban counties and 30 percent
11 shall be allocated for States.

12 “(3) INTERIM DETERMINATION OF ALLOCATED
13 AMOUNT.—Except as provided in paragraph (4), the
14 Secretary shall allocate amounts available for use
15 under subtitle C for a fiscal year so that—

16 “(A) for each metropolitan city and urban
17 county, the percentage of the total amount allo-
18 cated under this subsection for cities and coun-
19 ties that is allocated for such city or county is
20 equal to the percentage of the total amount
21 available for the preceding fiscal year under
22 section 106(b) of the Housing and Community
23 Development Act of 1974 for grants to metro-
24 politan cities and urban counties that was allo-
25 cated for such city or county; and

1 “(B) for each State, the percentage of the
2 total amount allocated under this subsection for
3 States that is allocated for such State is equal
4 to the percentage of the total amount available
5 for the preceding fiscal year under section
6 106(d) of the Housing and Community Devel-
7 opment Act of 1974 for grants to States that
8 was allocated for such State.

9 “(4) MINIMUM APPROPRIATION REQUIRE-
10 MENT.—If, by December 1 of any fiscal year, the
11 amount appropriated for grants under this title for
12 such fiscal year is less than \$750,000,000—

13 “(A) the Secretary shall not allocate
14 amounts for such fiscal year under subsection
15 (b) and this subsection;

16 “(B) subsection (d) shall not apply to
17 amounts for such fiscal year; and

18 “(C) notwithstanding any other provision
19 of this title, the Secretary shall make grants
20 under this title from such amounts to States,
21 units of general local government, and private
22 nonprofit organizations, pursuant to a national
23 competition based on the criteria specified in
24 section 404(b).

1 “(5) STUDY; SUBMISSION OF INFORMATION TO
2 CONGRESS RELATED TO ALTERNATIVE METHODS OF
3 ALLOCATION.—Not later than 1 year after the date
4 of the enactment of the Homeless Housing Pro-
5 grams Consolidation and Flexibility Act, the Sec-
6 retary shall—

7 “(A) submit to Congress—

8 “(i) the best available methodology for
9 determining a formula relative to the geo-
10 graphic allocation of funds under this sub-
11 title among entitlement communities and
12 nonentitlement areas based on the inci-
13 dence of homelessness and factors that
14 lead to homelessness;

15 “(ii) proposed alternatives to the for-
16 mula submitted pursuant to clause (i) for
17 allocating funds under this section, includ-
18 ing an evaluation and recommendation on
19 a 75/25 percent formula and other alloca-
20 tions of flexible block grant homeless as-
21 sistance between metropolitan cities and
22 urban counties and States under para-
23 graph (2);

24 “(iii) an analysis of the deficiencies in
25 the current allocation formula described in

1 section 106(b) of the Housing and Com-
2 munity Development Act of 1974;

3 “(iv) an analysis of the adequacy of
4 current indices used as proxies for measur-
5 ing homelessness; and

6 “(v) an analysis of the bases underly-
7 ing each of the proposed allocation meth-
8 ods;

9 “(B) perform the duties required by this
10 paragraph in ongoing consultation with—

11 “(i) the Subcommittee on Housing
12 Opportunity and Community Development
13 of the Committee on Banking, Housing,
14 and Urban Affairs of the Senate;

15 “(ii) the Subcommittee on Housing
16 and Community Opportunity of the Com-
17 mittee on Banking and Financial Services
18 of the House of Representatives;

19 “(iii) organizations representing
20 States, metropolitan cities and urban coun-
21 ties;

22 “(iv) organizations representing rural
23 communities;

24 “(v) organizations representing veter-
25 ans;

1 “(vi) organizations representing per-
2 sons with disabilities;

3 “(vii) members of the academic com-
4 munity; and

5 “(viii) national homelessness advocacy
6 groups; and

7 “(C) estimate the amount of funds that
8 will be received annually by each entitlement
9 community and nonentitlement area under each
10 such alternative allocation system and compare
11 such amounts to the amount of funds received
12 by each entitlement community and nonentitle-
13 ment area in prior years under this section.

14 “(6) MINIMUM ALLOCATION AMOUNTS.—

15 “(A) IN GENERAL.—

16 “(i) METROPOLITAN CITIES AND
17 URBAN COUNTIES.—Notwithstanding para-
18 graph (3), if for any fiscal year, the alloca-
19 tion under subtitle C for a metropolitan
20 city or urban county is less than 0.05 per-
21 cent of the amounts available for such use,
22 such metropolitan city or urban county
23 shall not receive a grant and its allocation
24 shall be added to the allocation for the
25 State in which such metropolitan city or

1 urban county is located, except that any
2 such metropolitan city or urban county
3 that received a grant under this title in a
4 previous fiscal year shall be allocated an
5 amount equal to 0.05 percent of the
6 amounts appropriated for such use.

7 “(ii) STATES.—Notwithstanding para-
8 graph (3), if in any fiscal year the alloca-
9 tion under subtitle C for a State is less
10 than \$2,000,000, the allocation for that
11 State shall be increased to \$2,000,000 and
12 the increase shall be provided by deducting
13 pro rata amounts from the allocations
14 under such subtitle of States with alloca-
15 tions of more than \$2,000,000.

16 “(B) GRADUATED MINIMUM GRANT ALLOCA-
17 TIONS.—Notwithstanding subparagraph (A) of this
18 paragraph and notwithstanding paragraph (3), a
19 State, metropolitan city, or urban county shall re-
20 ceive no less funding under this subsection in the
21 first full fiscal year after the date of the enactment
22 of the Homeless Housing Programs Consolidation
23 and Flexibility Act than 90 percent of the average
24 of the amounts awarded annually to that jurisdiction
25 for homeless assistance programs administered by

1 the Secretary (not including allocations for shelter
2 plus care and single room occupancy programs as
3 defined in, and in effect pursuant to, this Act prior
4 to the date of the enactment of the Homeless Hous-
5 ing Programs Consolidation and Flexibility Act)
6 under this title during fiscal years 1996 through
7 1999, no less than 85 percent in the second full fis-
8 cal year after the date of the enactment of the
9 Homeless Housing Programs Consolidation and
10 Flexibility Act, no less than 80 percent in the third
11 and fourth full fiscal years after the date of the en-
12 actment of the Homeless Housing Programs Con-
13 solidation and Flexibility Act, and no less than 75
14 percent in the fifth full fiscal year after the date of
15 the enactment of the Homeless Housing Programs
16 Consolidation and Flexibility Act, but only if the
17 amount appropriated pursuant to section 435 in
18 each such fiscal year exceeds \$800,000,000. If that
19 amount does not exceed \$800,000,000 in any fiscal
20 year referred to in the first sentence of this para-
21 graph, the jurisdiction may receive its proportionate
22 share of the amount appropriated which may be less
23 than the amount stated in such sentence for such
24 fiscal year.

1 “(7) REDUCTION.—Notwithstanding para-
2 graphs (1) through (6), in any fiscal year, the Sec-
3 retary may provide a grant under this subsection for
4 a State, metropolitan city, or urban county, in an
5 amount less than the amount allocated under those
6 paragraphs, if the Secretary determines that the ju-
7 risdiction has failed to comply with requirements of
8 this title, or that such action is otherwise appro-
9 priate.

10 “(d) RECAPTURE OF ALLOCATED AMOUNTS.—The
11 Secretary shall recapture the following amounts:

12 “(1) UNUSED AMOUNTS.—Not less than once
13 during each fiscal year, the Secretary shall recapture
14 any amounts allocated under this section that—

15 “(A) are allocated for a State, metropoli-
16 tan city or urban county, or insular area, but
17 not provided to an eligible grantee for the juris-
18 diction because of failure to apply for a grant
19 under this title or failure to comply with the re-
20 quirements of this title;

21 “(B) were provided to a grantee and (i) re-
22 captured under this title; or (ii) not utilized by
23 the grantee in accordance with the purposes
24 and objectives of the approved application of

1 the grantee within a reasonable time period,
2 which the Secretary shall establish; or

3 “(C) are returned to the Secretary by the
4 time of such reallocation.

5 “(2) AMOUNTS ALLOCATED TO GRANTEES THAT
6 FAIL TO COMPLY WITH COMPREHENSIVE HOUSING
7 AFFORDABILITY STRATEGY REQUIREMENTS.—Not-
8 withstanding paragraph (1), if, for any fiscal year,
9 a metropolitan city or urban county fails to comply
10 with the requirement under section 405(1) during
11 the 90-day period beginning on the date that
12 amounts for grants under this title for such fiscal
13 year first become available for allocation, the
14 amounts that would have been allocated under sub-
15 section (c) of this section for such city or county
16 shall be reallocated for the State in which the unit
17 is located, but only if the State has complied with
18 the requirement under section 405(1). Any amounts
19 that cannot be allocated for a State under the pre-
20 ceding sentence shall be reallocated for other metro-
21 politan cities and urban counties and States that
22 comply with such requirement and demonstrate ex-
23 traordinary need or large numbers of homeless per-
24 sons, as determined by the Secretary.

1 “(e) REALLOCATION OF AMOUNTS.—Any amounts
2 allocated under subsection (b) that are recaptured pursu-
3 ant to subsection (d)(1) shall be reallocated only for use
4 under subtitle B. Any amounts allocated under subsection
5 (c) that are recaptured pursuant to subsection (d)(1) shall
6 be reallocated only for use under subtitle C.

7 **“SEC. 407. MATCHING FUNDS REQUIREMENT.**

8 “(a) IN GENERAL.—Each State, metropolitan city or
9 urban county, and insular area for which a grant under
10 this title is made shall supplement the amount of the grant
11 provided under this title with an amount that is not less
12 than—

13 “(1) 50 percent of the amount of such grant,
14 if the State, metropolitan city or urban county, and
15 insular area has indicated in its application for such
16 grant that it will not include as a portion of its sup-
17 plementation the cost or value of donated services;
18 or

19 “(2) 100 percent of the grant amount, if the
20 State, metropolitan city, urban county, or insular
21 area indicated in its application for such grant that
22 it will include as a portion of its supplementation the
23 cost or value of donated services.

24 “(b) MATCHING REQUIREMENT FOR USE OF MORE
25 THAN 35 PERCENT OF FUNDS FOR SUPPORTIVE SERV-

1 ICES.—In addition to the supplemental funds required
2 pursuant to subsection (a), for the second full fiscal year
3 after the date of the enactment of the Homeless Housing
4 Programs Consolidation and Flexibility Act and each fis-
5 cal year thereafter, a State, metropolitan city, or urban
6 county shall supplement the grant funds for the State,
7 metropolitan city, or urban county in an amount equal to
8 the amount used by that State, metropolitan city, or urban
9 county for supportive services in a fiscal year that exceeds
10 35 percent of the total grant amount for the State, metro-
11 politan city, or urban county for that fiscal year.

12 “(c) TREATMENT OF INDEPENDENT STATE OR
13 LOCAL GOVERNMENT FUNDS.—Any State or local govern-
14 ment funds used independently from the program under
15 this title, or designated for such use, to assist the homeless
16 by carrying out activities that would be eligible for assist-
17 ance under this subtitle may be counted toward the
18 amount required pursuant to subsection (a).

19 “(d) AUTHORITY FOR GRANTEES TO REQUIRE SUP-
20 PLEMENTATION.—

21 “(1) IN GENERAL.—Each grantee under this
22 title may require any subgrantee or project sponsor
23 to whom it provides such grant amounts to provide
24 supplemental amounts required under subsections

1 (a) and (b) with an amount of funds from sources
2 other than this title.

3 “(2) AMOUNT ALLOWED TO BE REQUIRED BY
4 GRANTEE.—

5 “(A) GRANT AMOUNT.—Except as pro-
6 vided in paragraph (3), a grantee may not re-
7 quire any subgrantee or project sponsor to
8 whom it provides such grant amounts under
9 this title to provide—

10 “(i) supplemental amounts required
11 under subsection (a)(1) in an amount ex-
12 ceeding 25 percent of the grant amount
13 provided to the subgrantee or project spon-
14 sor; or

15 “(ii) supplemental amounts required
16 under subsection (a)(2) in an amount ex-
17 ceeding 50 percent of the grant amount
18 provided to the subgrantee or project spon-
19 sor.

20 “(B) SUPPORTIVE SERVICES.—A grantee
21 may require any subgrantee or project sponsor
22 to whom it provides grant amounts under this
23 title to provide supplemental amounts required
24 under subsection (b) in an amount equal to the
25 amount used by subgrantee or project sponsor

1 for supportive services in a fiscal year that ex-
2 ceeds 35 percent of the total amount allocated
3 pursuant to this subsection for that fiscal year.

4 “(3) SUPPLEMENTAL FUNDS MAY BE CONSID-
5 ERED AS MATCHING FUNDS.—Supplemental
6 amounts provided by a subgrantee or project sponsor
7 pursuant to this subsection may be considered sup-
8 plemental amounts for purposes of compliance by
9 any grantee with the requirement under subsections
10 (a) and (b).

11 “(e) USE OF FUNDS.—Any supplemental funds made
12 available in compliance with this section shall be available
13 only to carry out eligible activities (1) under subtitle B,
14 if the grant amounts are available only for such activities,
15 or (2) under subtitle C, if the grant amounts are available
16 only for such activities.

17 “(f) SUPPLEMENTAL FUNDS.—In determining the
18 amount of supplemental funds provided in accordance with
19 this section, the following amounts may be included:

20 “(1) Cash.

21 “(2) The value of any donated or purchased
22 material or building.

23 “(3) The value of any lease on a building.

24 “(4) The proceeds from bond financing validly
25 issued by a State or unit of general local govern-

1 ment, agency, or instrumentality thereof, and repay-
2 able with revenues derived from the activity assisted
3 under this title.

4 “(5) The amount of any salary paid to staff to
5 carry out a program for eligible activities under sub-
6 title B or C.

7 “(6) The cost or value of any donated goods.

8 “(7) The value of taxes, fees, or other charges
9 that are normally and customarily imposed, but
10 which are waived or foregone to assist in providing
11 housing or services for the homeless.

12 “(8) The cost of on-site and off-site infrastruc-
13 ture that is directly related to and necessary for pro-
14 viding housing or services for the homeless.

15 “(9) The cost or value of any donated services,
16 but only if the State, metropolitan city, urban coun-
17 ty, or insular area has stated in its application for
18 a grant under this title that it shall supplement the
19 amount of such grant, in accordance with section
20 407(a)(2).

21 “(g) REDUCTION IN MATCHING REQUIREMENTS.—If
22 a jurisdiction certifies to the Secretary that it is in fiscal
23 distress (as defined in section 220(d)(2) of the Cranston-
24 Gonzalez National Affordable Housing Act) for a fiscal
25 year, the Secretary shall apply the matching requirement

1 under subsection (a) to such jurisdiction for such fiscal
2 year by reducing such percentage under subsection (a) to
3 the same extent, in the same manner, and according to
4 the same criteria as matching requirements are reduced
5 under section 220(d) of the Cranston-Gonzalez National
6 Affordable Housing Act.

7 **“SEC. 408. PROGRAM REQUIREMENTS.**

8 “(a) APPLICATIONS.—

9 “(1) FORM AND PROCEDURE.—The Secretary
10 shall make a grant under this title only pursuant to
11 an application for a grant submitted by an eligible
12 grantee in the form required by this section and in
13 accordance with such other factors and procedures
14 as the Secretary determines to be appropriate. The
15 Secretary may not give preference or priority to any
16 application on the basis that the application was
17 submitted by any particular type of eligible grantee.

18 “(2) CONTENTS.—The Secretary shall require
19 that applications contain at a minimum the following
20 information:

21 “(A) GRANTS FOR PERMANENT HOUSING
22 DEVELOPMENT ACTIVITIES.—In the case of an
23 application for a grant available for use for ac-
24 tivities under subtitle B or an application for a

1 grant available for use under subtitle C for per-
2 manent housing development assistance—

3 “(i) a description of the permanent
4 housing development activities to be as-
5 sisted;

6 “(ii) a description of the entities that
7 will carry out such activities and the pro-
8 grams for carrying out such activities; and

9 “(iii) assurances satisfactory to the
10 Secretary that the facility will comply with
11 the requirement under subsection (j).

12 “(B) FLEXIBLE BLOCK GRANT HOMELESS
13 ASSISTANCE.—In the case of an application for
14 a grant available for use for activities under
15 subtitle C—

16 “(i) a description of the eligible activi-
17 ties to be assisted, to the extent available
18 at the time;

19 “(ii) in the case of a grant for a facil-
20 ity assisted under paragraph (1) or (2) of
21 section 421(a), assurances satisfactory to
22 the Secretary that the facility will comply
23 with the requirement under subsection (j);

24 “(iii) in the case of a grant for a sup-
25 portive housing facility assisted under this

1 title that does not receive assistance under
2 paragraph (1) or (2) of section 421(a), an-
3 nual assurances during the period specified
4 in the application that the facility will be
5 operated for the purpose specified in the
6 application for such period; and

7 “(iv) in the case of a grant for a sup-
8 portive housing facility, reasonable assur-
9 ances that the project sponsor will own or
10 have control of a site not later than the ex-
11 piration of the 12-month period beginning
12 upon notification of an award of grant as-
13 sistance, unless the application proposes
14 providing supportive housing assisted
15 under section 421(a)(3) or housing that
16 will eventually be owned or controlled by
17 the families and individuals served; except
18 that a project sponsor may obtain owner-
19 ship or control of a suitable site different
20 from the site specified in the application.

21 “(C) ALL GRANTS.—In the case of an ap-
22 plication for any grant under this title—

23 “(i) a description of the size and char-
24 acteristics of the population, including spe-
25 cific references to populations with special

1 needs, that will be served by the eligible
2 activities assisted with grant amounts;

3 “(ii) a description of the public and
4 private resources that are expected to be
5 made available in connection with grant
6 amounts provided;

7 “(iii) a description of the process to
8 be used in compliance with section 404(b)
9 to select eligible activities to be assisted
10 and project sponsors;

11 “(iv) a certification that the applicant
12 will comply with the requirements of the
13 Fair Housing Act, title VI of the Civil
14 Rights Act of 1964, section 504 of the Re-
15 habilitation Act of 1973, and the Age Dis-
16 crimination Act of 1975, and will affirma-
17 tively further fair housing; and

18 “(v) a statement of whether the appli-
19 cant will or will not include, as a portion
20 of its supplementation amount required
21 under section 407(a), the cost or value of
22 donated services.

23 “(b) REQUIRED AGREEMENTS.—The Secretary may
24 not provide a grant under this title for any applicant un-
25 less the applicant agrees—

1 “(1) to ensure that the eligible activities carried
2 out with grant amounts will be carried out in ac-
3 cordance with the provisions of this title;

4 “(2) to conduct an ongoing assessment of the
5 supportive services required by homeless persons as-
6 sisted by the eligible activities and the availability of
7 such services to such persons;

8 “(3) in the case of grant amounts to be used
9 under subtitle C for a supportive housing facility or
10 an emergency shelter, to ensure the provision of
11 such residential supervision as the Secretary deter-
12 mines is necessary to facilitate the adequate provi-
13 sion of supportive services to the residents and users
14 of the facility or shelter;

15 “(4) to monitor and report under section 431 to
16 the Secretary on the progress of the eligible activi-
17 ties carried out with grant amounts;

18 “(5) to develop and implement procedures to
19 ensure—

20 “(A) the confidentiality of records pertain-
21 ing to any individual provided family violence
22 prevention or treatment services through any
23 activities assisted with grant amounts; and

24 “(B) that the address or location of any
25 family violence shelter facility assisted with

1 grant amounts will not be made public, except
2 with written authorization of the person or per-
3 sons responsible for the operation of such facil-
4 ity;

5 “(6) to the maximum extent practicable, to in-
6 volve homeless persons and families, through em-
7 ployment, volunteer services, or otherwise, in carry-
8 ing out eligible activities assisted with grant
9 amounts; and

10 “(7) to comply with such other terms and con-
11 ditions as the Secretary may establish to carry out
12 this title in an effective and efficient manner.

13 “(c) OCCUPANCY CHARGE.—Any homeless person or
14 family residing in a dwelling unit assisted under this title
15 may be required to pay an occupancy charge in an amount
16 determined by the grantee providing the assistance, which
17 may not exceed an amount equal to 30 percent of the ad-
18 justed income (as such term is defined in section 3(b) of
19 the United States Housing Act of 1937 or any other sub-
20 sequent provision of Federal law defining such term for
21 purposes of eligibility for, or rental charges in, public
22 housing) of the person or family. Occupancy charges paid
23 may be reserved, in whole or in part, to assist residents
24 in moving to permanent housing.

1 “(d) FLOOD PROTECTION STANDARDS.—Flood pro-
2 tection standards applicable to housing acquired, rehabili-
3 tated, constructed, or assisted with grant amounts pro-
4 vided under this title shall be no more restrictive than the
5 standards applicable under Executive Order No. 11988
6 (42 U.S.C. 4321 note; relating to floodplain management)
7 to the other programs in effect under this title imme-
8 diately before the enactment of the Homeless Housing
9 Programs Consolidation and Flexibility Act.

10 “(e) PARTICIPATION OF CITIZENS AND OTHERS.

11 “(1) IN GENERAL.—Each grantee shall—

12 “(A) each fiscal year, make available to its
13 citizens, public agencies, and other interested
14 parties information concerning the amount of
15 assistance the jurisdiction expects to receive
16 and the range of activities that may be under-
17 taken with the assistance;

18 “(B) publish the proposed application in a
19 manner that, in the determination of the Sec-
20 retary, affords affected citizens, public agencies,
21 and other interested parties a reasonable oppor-
22 tunity to examine its content and to submit
23 comments on it;

24 “(C) each fiscal year, hold one or more
25 public hearings to obtain the views of citizens,

1 public agencies, and other interested parties on
2 the housing needs of the jurisdiction; and

3 “(D) provide citizens, public agencies, and
4 other interested parties with reasonable access
5 to records regarding any uses of any assistance
6 the grantee may have received under this sub-
7 title during the preceding 5 years.

8 “(2) ELECTRONIC ACCESS.—A grantee may
9 comply with the requirement under subparagraphs
10 (A), (B), and (D) of paragraph (1) by making the
11 information available through interactive computer
12 or telephone services or other electronic information
13 networks and systems appropriate for making such
14 information widely available to the public.

15 “(3) NOTICE AND COMMENT.—Before submit-
16 ting any substantial amendment to an application
17 under this Act, a grantee shall provide citizens with
18 reasonable notice of, and opportunity to comment
19 on, the amendment.

20 “(4) CONSIDERATION OF COMMENTS.—A grant-
21 ee shall consider any comments or views of citizens
22 in preparing a final application or amendment to an
23 application for submission. A summary of such com-
24 ments or views shall be attached when an application
25 or amendment to an application is submitted. The

1 submitted application or amendment shall be made
2 available to the public.

3 “(5) AUTHORITY OF SECRETARY.—The Sec-
4 retary shall establish procedures appropriate and
5 practicable for providing a fair hearing and timely
6 resolution of citizen complaints related to applica-
7 tions under this subtitle.

8 “(6) HOMELESS INDIVIDUALS.—The Secretary
9 shall, by regulation, require each grantee to ensure
10 that each project sponsor assisted by the grantee
11 provides for the participation of not less than 1
12 homeless person or former homeless person on the
13 board of directors or other equivalent policymaking
14 entity of the project sponsor, to the extent that such
15 sponsor considers and makes policies and decisions
16 regarding any activity, facility, supportive services,
17 or assistance provided with grant amounts under
18 this title. The Secretary shall provide that a grantee
19 may grant waivers to project sponsors unable to
20 meet the requirement under the preceding sentence
21 if the sponsor agrees to otherwise consult with
22 homeless or formerly homeless persons in consider-
23 ing and making such policies and decisions.

24 “(f) LIMITATION ON USE OF FUNDS.—No grant
25 amounts received under this title (or any funds provided

1 under section 407 or otherwise to supplement such grants)
2 may be used to replace other State or local funds pre-
3 viously used, or designated for use, to assist homeless per-
4 sons.

5 “(g) LIMITATION ON ADMINISTRATIVE EXPENSES.—
6 Notwithstanding any other provision of this title, of any
7 grant amounts under this title used to carry out eligible
8 activities, the grantee or the project sponsor may use for
9 administrative purposes—

10 “(1) an amount not exceeding 5 percent of such
11 grant amount; or

12 “(2) if the grantee implements use of a stand-
13 ardized homeless database management system to
14 record and assess data on the usage of homeless
15 housing, services, and client needs, and on the num-
16 ber of and other information related to populations
17 with special needs, an amount not exceeding 7.5 per-
18 cent of such grant amount.

19 “(h) HOUSING QUALITY.—

20 “(1) REQUIREMENT.—Assistance may not be
21 provided with grant amounts made available for use
22 under this title for any permanent housing develop-
23 ment, dwelling unit, supportive housing facility, or
24 emergency shelter that fails to comply with the hous-
25 ing quality standards applicable under paragraph (2)

1 in the jurisdiction in which the housing is located,
2 unless the deficiency is promptly corrected and the
3 project sponsor verifies the correction.

4 “(2) APPLICABLE STANDARDS.—The housing
5 quality standards applicable under this subsection to
6 any permanent housing, dwelling unit, supportive
7 housing facility, or emergency shelter shall be—

8 “(A) in the case of permanent housing, a
9 unit, facility, or shelter located in a jurisdiction
10 which has in effect laws, regulations, standards,
11 or codes regarding habitability of such housing,
12 units, facilities, or shelters that provide protec-
13 tion to residents of the dwellings that is equal
14 to or greater than the protection provided under
15 the housing quality standards established under
16 paragraph (3), such applicable laws, regula-
17 tions, standards, or codes; or

18 “(B) in the case of permanent housing, a
19 unit, facility, or shelter located in a jurisdiction
20 which does not have in effect laws, regulations,
21 standards, or codes described in subparagraph
22 (A), the housing quality standards established
23 under paragraph (3).

24 “(3) FEDERAL HOUSING QUALITY STAND-
25 ARDS.—The Secretary shall establish housing quality

1 standards under this paragraph that ensure that
2 permanent housing, dwelling units, supportive hous-
3 ing facilities, and emergency shelters assisted under
4 this title are safe, clean, and healthy. Such stand-
5 ards shall include requirements relating to habit-
6 ability, including maintenance, health and sanitation
7 factors, condition, and construction of dwellings. The
8 Secretary shall differentiate between major and
9 minor violations of such standards and may estab-
10 lish separate standards for permanent housing,
11 dwelling units, supportive housing facilities, and
12 emergency shelters.

13 “(i) TERMINATION OF ASSISTANCE.—If a person or
14 family (not including residents of an emergency shelter)
15 who receives assistance under this title violates program
16 requirements, the project sponsor may terminate assist-
17 ance in accordance with a formal process established by
18 such sponsor that recognizes the rights of individuals re-
19 ceiving such assistance to due process of law, which may
20 include a hearing.

21 “(j) USE RESTRICTIONS.—

22 “(1) ACQUISITION, REHABILITATION, AND NEW
23 CONSTRUCTION.—

24 “(A) IN GENERAL.—Except as provided in
25 subparagraph (B), each housing facility assisted

1 under subtitle B or subtitle C shall be operated
2 as housing for the purpose specified in the ap-
3 plication for assistance with amounts under this
4 title for not less than 20 years after such facil-
5 ity is initially placed in service pursuant to such
6 assistance.

7 “(B) EXCEPTIONS.—

8 (i) INABILITY TO OPERATE FACIL-
9 ITY.—If, within such 20-year period, the
10 need for maintaining the facility as hous-
11 ing for the purpose specified in the appli-
12 cation for assistance ceases to exist (as de-
13 termined by the Secretary pursuant to a
14 recommendation by the chief executive offi-
15 cer of the appropriate unit of general local
16 government or project sponsor, taking into
17 consideration the comprehensive housing
18 affordability strategy of the jurisdiction),
19 or the project sponsor is unable to operate
20 the facility as supportive housing, the facil-
21 ity may be used as affordable housing (in
22 accordance with section 215 of the Cran-
23 ston-Gonzalez National Affordable Housing
24 Act).

1 “(ii) APPLICABILITY OF OTHER PRO-
2 GRAM RESTRICTION.—If the housing facil-
3 ity receives assistance under any other
4 Federal program (including assistance
5 under section 42 of the Internal Revenue
6 Code of 1986) for low-income families,
7 homeless persons, or any other use consist-
8 ent with assistance under this title, and
9 the use restriction under such program is
10 less than 20 years, the restriction under
11 such program shall apply.

12 “(2) OTHER ASSISTANCE.—Each housing facil-
13 ity assisted under subtitle C shall be operated for
14 the purposes specified in the application for assist-
15 ance with amounts under this title for the duration
16 of the period covered by the grant.

17 “(3) CONVERSION.—Notwithstanding para-
18 graphs (1) and (2), if the Secretary determines that
19 a housing facility is no longer needed for use as
20 housing for the purposes specified in the application
21 for assistance and approves the use of the facility
22 for the direct benefit of low-income persons pursuant
23 to a request for such use by the project sponsor, the
24 Secretary may authorize the sponsor to convert the
25 facility to such use.

1 “(k) REPAYMENT OF ASSISTANCE AND PREVENTION
2 OF UNDUE BENEFITS.—

3 “(1) REPAYMENT.—If a facility assisted under
4 subtitle B or subtitle C violates the requirement
5 under subsection (j)(1)(A) or (j)(1)(B)(ii) of this
6 section during the 10-year period beginning upon
7 placement of the facility in service pursuant to such
8 assistance, the Secretary shall require the grantee to
9 repay to the Secretary 100 percent of any grant
10 amounts received for such facility under such para-
11 graph. If such a facility violates such requirement
12 after such 10-year period, the Secretary shall require
13 the grantee to repay the percentage of any grant
14 amounts received for such facility that is equal to
15 100 percent minus 10 percent for each year in ex-
16 cess of 10 that the facility is operated as supportive
17 housing.

18 “(2) PREVENTION OF UNDUE BENEFITS.—Ex-
19 cept as provided in paragraph (3), upon any sale or
20 other disposition of a facility assisted under subtitle
21 B or C occurring before the expiration of the 20-
22 year period beginning on the date that the facility
23 is placed in service, the project sponsor shall comply
24 with such terms and conditions as the Secretary may

1 prescribe to prevent the sponsor from unduly bene-
2 fiting from such sale or disposition.

3 “(3) EXCEPTION.—Paragraphs (1) and (2)
4 shall not apply to any sale or disposition of a facility
5 that results in the use of the facility for the direct
6 benefit of very low-income families if all of the pro-
7 ceeds are used to provide housing meeting the re-
8 quirements of subtitle B or C.

9 “(4) FAILURE TO OBTAIN SITE.—If a grantee
10 of assistance made available for use under this title
11 obligates assistance for a housing facility other than
12 a facility under section 421(a)(3) or housing that
13 will eventually be owned or controlled by the families
14 and individuals served, and the project sponsor fails
15 to obtain ownership or control of a suitable site for
16 a proposed supportive housing facility during the 12-
17 month period beginning upon the notification of an
18 award of grant assistance, the grantee shall recap-
19 ture the assistance and make such assistance avail-
20 able under this subtitle.

21 “(l) LOCAL BOARDS.—

22 “(1) ESTABLISHMENT AND FUNCTION.—The
23 head of the executive branch of government of each
24 grantee shall establish and appoint members to a
25 local board, which shall assist the jurisdiction in—

1 “(A) determining whether the grant should
2 be administered by the jurisdiction, a public
3 agency, a private nonprofit organization, the
4 State, or the Secretary;

5 “(B) developing the application under sec-
6 tion 408;

7 “(C) overseeing the activities carried out
8 with assistance under this title; and

9 “(D) preparing the performance report
10 under section 431.

11 “(2) COMPOSITION OF LOCAL BOARDS.—

12 “(A) NOMINATION.—Members of a local
13 board appointed to meet the requirements of
14 subparagraph (D) shall be nominated by per-
15 sons, other than governmental officials or enti-
16 ties, that represent the groups listed in sub-
17 paragraph (D).

18 “(B) PRIORITY.—Persons who will improve
19 access to a broad range of services for homeless
20 persons and who are sensitive to the varying
21 needs of homeless persons, including veterans,
22 the mentally ill, families with children, young
23 persons, battered spouses, victims of substance
24 abuse, and persons with AIDS, shall be given
25 preference when selecting local board members.

1 “(C) COMMUNITY SUPPORT CONSID-
2 ERED.—In appointing members to the local
3 board, the chief executive of each grantee shall
4 consider the extent of support for the nominee
5 in the community which the board shall serve.

6 “(D) MAJORITY.—Not less than 51 per-
7 cent of the members of a local board shall be
8 composed of—

9 “(i) homeless or formerly homeless
10 persons;

11 “(ii) persons who act as advocates for
12 homeless persons; and

13 “(iii) persons who provide assistance
14 to homeless persons, including representa-
15 tives of local veterans organizations and
16 veteran service providers who assist home-
17 less veterans.

18 “(E) OTHER LOCAL BOARD MEMBERS.—
19 After the requirements of subparagraph (D) are
20 met, other members of a local board shall be
21 chosen from—

22 “(i) members of the business commu-
23 nity of the jurisdiction receiving the grant;

1 “(ii) members of neighborhood advo-
2 cates in the jurisdiction receiving the
3 grant; and

4 “(iii) government officials of the juris-
5 diction receiving the grant.

6 “(3) WAIVER OF REQUIREMENTS FOR LOCAL
7 BOARD.—The Secretary may waive the requirements
8 of this subsection if the jurisdiction has an existing
9 board that substantially meets the requirements of
10 this subsection.

11 “(m) COORDINATION OF HOMELESS PROGRAMS.—

12 “(1) PURPOSE.—The purpose of the consulta-
13 tion and coordination required under this subsection
14 is to provide various services, activities, and assist-
15 ance for homeless persons and families in an effi-
16 cient, effective, and targeted manner designed to
17 meet the comprehensive needs of the homeless.

18 “(2) IN GENERAL.—The Chairperson of the
19 Interagency Council on the Homeless shall consult
20 and coordinate with the Secretary of Housing and
21 Urban Development, the Secretary of Health and
22 Human Services, the Secretary of Labor, the Sec-
23 retary of Education, the Secretary of Veterans Af-
24 fairs, and the Secretary of Agriculture and shall en-
25 sure that assistance for federally funded activities

1 for the homeless is made available, to the greatest
2 extent practicable, in conjunction and coordination
3 with assistance for other federally funded activities
4 for the homeless and with assistance under this title.

5 “(3) REQUIREMENTS FOR HOUSING ASSIST-
6 ANCE.—The Secretary shall establish such require-
7 ments as the Secretary considers necessary to ensure
8 that grant amounts provided under this title are
9 used by grantees and project sponsors, to the great-
10 est extent practicable, in coordination and in con-
11 junction with federally funded activities for the
12 homeless.

13 “(4) DEFINITION.—For purposes of this sub-
14 section, the term ‘federally funded activities for the
15 homeless’ means activities to assist homeless per-
16 sons, including homeless veterans, or homeless fami-
17 lies that are funded (in whole or in part) with
18 amounts provided by the Federal Government (other
19 than amounts provided under this title) and
20 includes—

21 “(A) the programs for health care under
22 sections 340 and part C of title V of the Public
23 Health Service Act;

1 “(B) the programs for education, training
2 and community services under title VII of the
3 Stewart B. McKinney Homeless Assistance Act;

4 “(C) food assistance for homeless persons
5 and families through the food programs under
6 the Food Stamp Act of 1977 and the Emer-
7 gency Food Assistance Act of 1983;

8 “(D) the job training, housing, and medi-
9 cal programs for homeless veterans of the De-
10 partment of Veterans Affairs;

11 “(E) the job corps centers for homeless
12 families program under section 433A of the Job
13 Training Partnership Act;

14 “(F) the program for preventive services
15 for children of homeless families or families at
16 risk of homelessness under title III of the Child
17 Abuse Prevention and Treatment Act;

18 “(G) the programs under the Runaway
19 and Homeless Youth Act; and

20 “(H) assistance for homeless persons, in-
21 cluding homeless veterans, and families under
22 State programs funded under supplemental se-
23 curity income programs under part A of title IV
24 or under title XVI of the Social Security Act.

1 “(5) COMPANION SERVICES BLOCK GRANTS IN
2 CASES OF FAILURE TO COMPLY.—

3 “(A) IN GENERAL.—If, for any fiscal year,
4 the Chairperson of the Interagency Council on
5 the Homeless determines that adequate coordi-
6 nation has not taken place to ensure that as-
7 sistance for federally funded activities for the
8 homeless is made available in conjunction and
9 coordination with assistance under this title (as
10 required under paragraph (2)), the Chairperson
11 of the Interagency Council on the Homeless and
12 the Secretary, in consultation with the Inter-
13 agency Council on the Homeless, shall carry out
14 a program under subparagraph (B) to make
15 companion services block grants available for
16 such fiscal year.

17 “(B) COMPANION SERVICE BLOCK
18 GRANTS.—The block grant program under this
19 subparagraph shall provide block grants, using
20 amounts available pursuant to subparagraph
21 (C), to eligible grantees under this title to pro-
22 vide services of the type available under the
23 programs referred to in paragraph (4) in con-
24 nection with housing assistance under this title.

25 “(C) FUNDING.—

1 “(i) IN GENERAL.—Notwithstanding
2 any other provision of law, in any fiscal
3 year in which block grants are to be pro-
4 vided in accordance with subparagraph
5 (A), there shall be available for such block
6 grants, of the amount made available for
7 such fiscal year for each activity referred
8 to in paragraph (4), 10 percent of such
9 amount, as determined by the Secretary
10 and the Interagency Council on the Home-
11 less.

12 “(ii) LIMITATION.—Notwithstanding
13 clause (i), the aggregate amount available
14 for companion services block grants under
15 this paragraph for a fiscal year shall not
16 exceed the total amount made available
17 pursuant to section 435 for housing assist-
18 ance under this title. If, for any fiscal year,
19 the amount determined under clause (i) ex-
20 ceeds such amount, the Secretary shall re-
21 duce the percentage under clause (i) for
22 such year so that the aggregate amount
23 made available for companion services
24 block grants under this paragraph from
25 the amounts for each activity referred to in

1 paragraph (4) is equal to the total amount
2 made available pursuant to section 435 for
3 housing assistance under this title.

4 “(D) TRANSFER AUTHORITY.—Except to
5 the extent that the authority of the Secretary
6 and the Chairperson of the Interagency Council
7 on the Homeless is limited by appropriations,
8 and with the concurrence of the head of the af-
9 fected agency and upon advance approval of the
10 Committees on Appropriations and the author-
11 izing committees of the House of Representa-
12 tives and the Senate, the Secretary and the
13 Chairperson of the Interagency Council on the
14 Homeless shall transfer funds made available
15 under subparagraph (C) to the companion serv-
16 ices block grant for federally funded activities,
17 functions, or programs for the homeless.

18 “(E) REPORT.—Not later than the first
19 quarter of the first full fiscal year after the
20 date of the enactment of the Homeless Housing
21 Programs Consolidation and Flexibility Act and
22 each quarter thereafter, the Secretary and the
23 Chairperson of the Interagency Council on the
24 Homeless shall report to Congress on—

1 “(i) the need for any reprogramming
2 or transfer of funds appropriated for feder-
3 ally funded activities, functions, or pro-
4 grams for the homeless; and

5 “(ii) any funds appropriated for feder-
6 ally funded activities, functions, or pro-
7 grams for the homeless that were repro-
8 grammed or transferred during the quarter
9 covered by the report.

10 “(n) CONSULTATION REGARDING USE OF NATIONAL
11 GUARD FACILITIES AS HOMELESS SHELTERS.—The Sec-
12 retary may not provide a grant for a fiscal year from
13 amounts for such year allocated under section 406(c) for
14 use under subtitle C for a State unless the State has con-
15 sulted with the Secretary regarding the possibility of mak-
16 ing any space at National Guard facilities under the juris-
17 diction of the State available, during such fiscal year, for
18 use by homeless organizations to provide shelter to home-
19 less persons, but only at the times that such space is not
20 actively being used for National Guard purposes or other
21 public purposes already undertaken.

22 **“SEC. 409. SUPPORTIVE SERVICES.**

23 “(a) REQUIREMENT.—To the extent allowed by this
24 title, each project sponsor administering permanent hous-
25 ing development assistance provided with amounts under

1 this title or a supportive housing facility or emergency
2 shelter assisted with such amounts shall provide support-
3 ive services for residents of the dwelling units or facility
4 or shelter assisted. The array of supportive services pro-
5 vided may be designed by the grantee or the project spon-
6 sor administering the assistance, facility, or shelter. A
7 project sponsor administering a supportive housing facility
8 shall provide supportive services for other homeless per-
9 sons using the facility.

10 “(b) TARGETING POPULATIONS WITH SPECIAL
11 NEEDS.—Supportive services provided with grant
12 amounts under this title shall address the special needs
13 of homeless persons (such as homeless persons with
14 disabilities, homeless persons with acquired immuno-
15 deficiency syndrome and related diseases, homeless per-
16 sons who have chronic problems with alcohol or drugs (or
17 both), veterans who are homeless, and homeless families
18 with children) intended to be served.

19 “(c) SERVICES.—Supportive services may include ac-
20 tivities such as—

21 “(1) establishing and operating a child care
22 services program for homeless families;

23 “(2) establishing and operating an employment
24 assistance program;

1 “(3) providing outpatient health services, food,
2 and case management;

3 “(4) providing assistance in obtaining perma-
4 nent housing, employment counseling, and nutri-
5 tional counseling;

6 “(5) providing security arrangements necessary
7 for the protection of residents of supportive housing
8 or emergency shelters and for homeless persons
9 using supportive housing facilities;

10 “(6) providing assistance in obtaining other
11 Federal, State, and local assistance available for
12 such residents and persons (including mental health
13 benefits, employment counseling, and medical assist-
14 ance, but not including major medical equipment);

15 “(7) employment assistance programs with an
16 emphasis on on-the-job training programs which re-
17 sult in improved, long-term employability and in-
18 creased earnings for homeless persons; and

19 “(8) providing other appropriate services.

20 “(d) PROVISION OF SERVICES.—Supportive services
21 provided with grant amounts under this title may be pro-
22 vided directly by the grantee, by the project sponsor ad-
23 ministering the permanent housing development assist-
24 ance or the facility or shelter, or by contract with other
25 public or private service providers. Such services provided

1 in connection with a supportive housing facility may be
2 provided to homeless persons who do not reside in the sup-
3 portive housing, but only to the extent consistent with the
4 comprehensive housing affordability strategy under sec-
5 tion 105 of the Cranston-Gonzalez National Affordable
6 Housing Act for the applicable jurisdiction.

7 **“SEC. 410. NONDISCRIMINATION IN PROGRAMS AND AC-**
8 **TIVITIES.**

9 “No person in the United States shall, on the basis
10 of race, color, national origin, religion, or sex, be excluded
11 from participation in, be denied the benefits of, or be sub-
12 jected to discrimination under any program or activity
13 funded in whole or in part with funds made available
14 under this subtitle. Any prohibition against discrimination
15 on the basis of age under the Age Discrimination Act of
16 1975 or with respect to an otherwise qualified handi-
17 capped individual, as provided in section 504 of the Reha-
18 bilitation Act of 1973, shall also apply to any such pro-
19 gram or activity.

20 **“Subtitle B—Permanent Housing**
21 **Development Activities**

22 **“SEC. 411. USE OF AMOUNTS AND GENERAL REQUIRE-**
23 **MENTS.**

24 **“(a) USE OF AMOUNTS FOR PERMANENT HOUSING**
25 **DEVELOPMENT.—**

1 “(1) AUTHORIZED USE.—A State, metropolitan
2 city, or urban county that receives a grant under
3 section 402(b)(2) from amounts allocated for use
4 under this subtitle may use grant amounts (and any
5 supplemental amounts provided under section 407)
6 only to carry out permanent housing development
7 activities within such State, metropolitan city, or
8 urban county. For purposes of this subtitle, the term
9 ‘permanent housing development activities’ means
10 activities to construct, substantially rehabilitate, or
11 acquire structures to provide permanent housing, in-
12 cluding the capitalization of a dedicated project ac-
13 count from which long-term assistance payments
14 (which may include operating costs or rental assist-
15 ance) can be made in order to facilitate such activi-
16 ties, and activities under section 441 of the this Act,
17 as in effect on October 31, 1998 (subject to the limi-
18 tation in section 406(b)(3) of this Act).

19 “(2) USE FOR SUPPORTIVE SERVICES PROHIB-
20 ITED.—Amounts allocated for use under this subtitle
21 may not be used for supportive services activities.

22 “(b) USE THROUGH NONPROFIT ORGANIZATIONS.—

23 “(1) IN GENERAL.—A grantee that receives
24 grant amounts for a fiscal year for use under this
25 subtitle may, pursuant to section 404, provide such

1 amounts to units of general local government and
2 private nonprofit organizations for use in accordance
3 with this subtitle, except that the grantee shall en-
4 sure that more than 50 percent of the amounts re-
5 ceived by the grantee for the fiscal year are used
6 through private nonprofit organizations.

7 “(2) WAIVER OF USE OF NONPROFIT REQUIRE-
8 MENT.—The Secretary may waive the requirement
9 under paragraph (1) that a grantee ensure that
10 more than 50 percent of the amounts received by the
11 grantee for the fiscal year are used through private
12 nonprofit organizations if the Secretary determines
13 that there are not sufficient private nonprofit orga-
14 nizations available to the grantee to meet that re-
15 quirement.

16 “(c) ADMINISTRATIVE FEE.—To the extent provided
17 in section 408(g), grant amounts provided under this sub-
18 title may be used by the project sponsor providing such
19 assistance for costs of administering such assistance.

20 “(d) TARGETING POPULATIONS WITH SPECIAL
21 NEEDS.—To the maximum extent practicable, a grantee
22 shall provide for use of grant amounts made available
23 under this subtitle in a manner that provides permanent
24 housing for homeless persons with disabilities, homeless
25 persons with acquired immunodeficiency syndrome or re-

1 lated diseases, homeless persons who have chronic prob-
2 lems with alcohol or drugs (or both), homeless families
3 with children, and veterans who are homeless.

4 **“SEC. 412. PERMANENT HOUSING DEVELOPMENT.**

5 “(a) IN GENERAL.—Housing shall be considered per-
6 manent housing for purposes of this title if the housing—

7 “(1) provides long-term housing for homeless
8 persons;

9 “(2) complies with any applicable State and
10 local housing codes, licensing requirements, or other
11 requirement in the jurisdiction in which the housing
12 is located, including any applicable State or local re-
13 quirements regarding the number of occupants in
14 such a facility; and

15 “(3) complies with the requirement under sec-
16 tion 409(a) regarding providing supportive services
17 for homeless persons.

18 “(b) CLARIFICATION.—Permanent housing may—

19 “(1) be restricted for occupancy by homeless
20 persons with disabilities;

21 “(2) consist of or contain full dwelling units or
22 dwelling units that do not contain bathrooms or
23 kitchen facilities; and

24 “(3) be provided in the form of rental housing,
25 cooperative housing, shared living arrangements, sin-

1 gle family housing, or other types of housing ar-
2 rangements.

3 **“Subtitle C—Flexible Block Grant**
4 **Homeless Assistance**

5 **“SEC. 421. ELIGIBLE ACTIVITIES.**

6 “(a) IN GENERAL.—Grant amounts allocated for use
7 under this subtitle may be used only for carrying out the
8 following activities:

9 “(1) ACQUISITION AND REHABILITATION OF
10 SUPPORTIVE HOUSING.—For acquisition or rehabili-
11 tation of an existing structure (including a small
12 commercial property or office space) to provide sup-
13 portive housing other than emergency shelter or to
14 provide supportive services; the repayment of any
15 outstanding debt owed on a loan made to purchase
16 an existing structure for use as supportive housing
17 shall be considered to be a cost of acquisition under
18 this paragraph if the structure was not used as sup-
19 portive housing or to provide supportive services, be-
20 fore assistance is provided using grant amounts.

21 “(2) NEW CONSTRUCTION OF SUPPORTIVE
22 HOUSING.—For new construction of a structure to
23 be used as supportive housing.

24 “(3) LEASING OF SUPPORTIVE HOUSING.—For
25 leasing of an existing structure or structures, or por-

1 tions thereof, to provide supportive housing or sup-
2 portive services during the period covered by the ap-
3 plication.

4 “(4) OPERATING COSTS FOR SUPPORTIVE
5 HOUSING.—For covering operating costs of support-
6 ive housing (which shall include capital costs for uti-
7 lizing any interactive computer or telephone services
8 and other electronic information networks and sys-
9 tems appropriate for assisting homeless families); ex-
10 × cept that grant amounts provided under this subtitle
11 may not be used to cover more than 75 percent of
12 the annual operating costs of such housing.

13 “(5) HOMELESSNESS PREVENTION.—

14 “(A) IN GENERAL.—For activities designed
15 to help persons (including veterans who are at
16 risk of becoming homeless) and families avoid
17 becoming homeless, which shall include assist-
18 ance for making mortgage payments, rental
19 payments, and utility payments and any activi-
20 ties other than those found by the Secretary to
21 be inconsistent with the purposes of this Act.

22 “(B) PERSONS ELIGIBLE FOR ASSIST-
23 ANCE.—Assistance under this paragraph may
24 be provided only to very low-income families
25 who have received eviction (or mortgage delin-

1 quency or foreclosure) notices or notices of ter-
2 mination of utility services and who—

3 “(i) are unable to make the required
4 payments due to a sudden reduction in in-
5 come;

6 “(ii) need such assistance to avoid
7 homelessness due to the eviction or termi-
8 nation of services; and

9 “(iii) have a reasonable prospect of
10 being able to resume payments within a
11 reasonable period of time.

12 “(C) LIMITATION.—Assistance under this
13 paragraph may be provided only if such assist-
14 ance will not supplant funding for preexisting
15 homelessness prevention activities from other
16 services.

17 “(6) PERMANENT HOUSING DEVELOPMENT AC-
18 TIVITIES.—For providing permanent housing devel-
19 opment activities as described in subtitle B.

20 “(7) EMERGENCY SHELTER.—For—

21 “(A) renovation, major rehabilitation, or
22 conversion of a building or buildings to be used
23 as emergency shelters;

24 “(B) covering costs of supportive services
25 in connection with an emergency shelter, if such

1 services do not supplant any services provided
2 by the local government during any part of the
3 12-month period ending on the date of the com-
4 mencement of the operation of the emergency
5 shelter; and

6 “(C) covering costs relating to mainte-
7 nance, operation, insurance, utilities, and fur-
8 nishings for emergency shelters.

9 “(8) SUPPORTIVE SERVICES.—To the extent
10 provided in section 406, for covering costs of sup-
11 portive services provided to homeless persons in con-
12 nection with a permanent or supportive housing fa-
13 cility or otherwise.

14 “(9) TECHNICAL ASSISTANCE.—For technical
15 assistance in carrying out the purposes of this title,
16 except that the Secretary may provide such technical
17 assistance directly to any grantee, including non-
18 profit sponsors who are proposing project applica-
19 tions for populations with special needs.

20 “(b) USE FOR HOUSING ACTIVITIES.—Of the aggre-
21 gate of any grant amounts provided to a grantee for a
22 fiscal year for use under this subtitle and the supplemental
23 amounts provided for such fiscal year by the grantee in
24 accordance with section 407, the grantee shall ensure that
25 an amount that is not less than such grant amounts (less

1 any amount used pursuant to section 408(g)) is used for
 2 eligible activities described in paragraphs (1) through (6)
 3 of subsection (a).

4 **“SEC. 422. USE OF AMOUNTS THROUGH PRIVATE NON-**
 5 **PROFIT PROVIDERS.**

6 “(a) IN GENERAL.—In each fiscal year, each grantee
 7 of amounts for use under this subtitle shall ensure that
 8 more than 50 percent of the amounts received by the
 9 grantee for such fiscal year are used for carrying out eligi-
 10 ble activities under section 421 through project sponsors
 11 that are private nonprofit organizations.

12 “(b) WAIVER.—The Secretary may waive the require-
 13 ment under subsection (a) that a grantee ensure that more
 14 than 50 percent of the amounts received by the grantee
 15 for the fiscal year are used through private nonprofit orga-
 16 nizations if the Secretary determines that there are not
 17 sufficient private nonprofit organizations available to the
 18 grantee to meet that requirement.

19 **“SEC. 423. SUPPORTIVE HOUSING.**

20 “(a) IN GENERAL.—Housing shall be considered sup-
 21 portive housing for purposes of this subtitle if—

22 “(1) the housing complies with the requirement
 23 under section 409(a) regarding providing supportive
 24 services for homeless persons;

1 “(2) the housing complies with any applicable
2 State and local housing codes and licensing require-
3 ments in the jurisdiction in which the housing is lo-
4 cated; and

5 “(3) the housing—

6 “(A) is transitional housing; or

7 “(B) is permanent supportive housing as
8 described in section 412.

9 “(b) TRANSITIONAL HOUSING.—For purposes of this
10 section, the term ‘transitional housing’ means housing, the
11 purpose of which is to facilitate the movement of homeless
12 persons and families to permanent housing within 24
13 months or such longer period as the Secretary determines
14 necessary. Assistance may be denied for housing based on
15 a violation of this subsection only if a substantial number
16 of homeless persons or families have remained in the hous-
17 ing longer than such period.

18 “(c) SINGLE ROOM OCCUPANCY DWELLINGS.—For
19 purposes of this section, a facility may provide supportive
20 housing or supportive services in dwelling units that do
21 not contain bathrooms or kitchen facilities and are appro-
22 priate for use as supportive housing or in facilities con-
23 taining some or all such dwelling units.

1 “(d) SAFE HAVEN HOUSING.—For purposes of this
2 section, supportive housing may be a structure or a clearly
3 identifiable portion of a structure that—

4 “(1) provides housing and low-demand services
5 and referrals for homeless persons with serious men-
6 tal illness—

7 “(A) who are currently residing primarily
8 in places not designed for, or ordinarily used as,
9 regular sleeping accommodations for human
10 beings; and

11 “(B) who have been unwilling or unable to
12 participate in mental health or substance abuse
13 treatment programs or to receive other support-
14 ive services; except that a person whose sole im-
15 pairment is substance abuse shall not be consid-
16 ered an eligible person;

17 “(2) provides 24-hour residence for eligible indi-
18 viduals who may reside for an unspecified duration;

19 “(3) provides private or semiprivate accom-
20 modations;

21 “(4) may provide for the common use of kitch-
22 en facilities, dining rooms, and bathrooms;

23 “(5) may provide supportive services to eligible
24 persons who are not residents on a drop-in basis;
25 and

1 “(6) provides occupancy limited to no more
2 than 25 persons.

3 **“SEC. 424. EMERGENCY SHELTER.**

4 “(a) IN GENERAL.—A facility shall be considered
5 emergency shelter for purposes of this subtitle if the facil-
6 ity is designed to provide overnight sleeping accommoda-
7 tions for homeless persons and complies with the require-
8 ments under this section. An emergency shelter may in-
9 clude appropriate eating and cooking accommodations.

10 “(b) REQUIREMENTS.—Grant amounts under this
11 subtitle may be used for eligible activities under section
12 421(a)(7) relating to emergency shelter only if—

13 “(1) the Secretary determines that—

14 “(A) use of such amounts is necessary to
15 meet the emergency shelter needs of the juris-
16 diction in which the facility is located; and

17 “(B) the use of such amounts for such ac-
18 tivities will not violate the prohibition under
19 section 408(f); and

20 “(2) the project sponsor agrees that it will—

21 “(A) in the case of assistance involving
22 major rehabilitation or conversion of a building,
23 maintain the building as a shelter for homeless
24 persons and families for not less than a 10-year
25 period unless, within such 10-year period, the

1 need for maintaining the building as a full-time
2 shelter ceases to exist and the building is used
3 for the remainder of such period to carry out
4 other eligible activities under this subtitle;

5 “(B) in the case of assistance involving re-
6 habilitation (other than major rehabilitation or
7 conversion of a building), maintain the building
8 as a shelter for homeless persons and families
9 for not less than a 3-year period;

10 “(C) in the case of assistance involving
11 only activities described in subparagraphs (B)
12 and (C) of section 421(a)(7), provide services or
13 shelter to homeless persons and families at the
14 original site or structure or other sites or struc-
15 tures serving the same general population for
16 the period during which such assistance is pro-
17 vided;

18 “(D) comply with the standards of housing
19 quality applicable under section 408(h); and

20 “(E) assist homeless persons obtaining—

21 “(i) appropriate supportive services,
22 permanent housing, medical and mental
23 health treatment (including information
24 and counseling regarding the benefits and
25 availability of child immunization), coun-

1 seling, supervision, veterans benefits, and
2 other services essential for achieving inde-
3 pendent living (including on-the-job train-
4 ing programs which provide an hourly sti-
5 pend of an amount that is not less than
6 minimum wage and which are likely to im-
7 prove the long-term employability and
8 earnings of homeless persons and reduce
9 their need for subsidized housing); and

10 “(ii) other Federal, State, local, and
11 private assistance available for homeless
12 persons.

13 **“Subtitle D—Reporting,** 14 **Definitions, and Funding**

15 **“SEC. 431. PERFORMANCE REPORTS BY GRANTEES.**

16 “(a) REQUIREMENT.—For each fiscal year, each
17 grantee under this title shall review and report, in a form
18 acceptable to the Secretary, on the progress it has made
19 during such fiscal year in carrying out the activities de-
20 scribed in the application resulting in such grant and the
21 relationship of such activities to the comprehensive hous-
22 ing affordability strategy under section 105 of the Cran-
23 ston-Gonzalez National Affordable Housing Act for the
24 applicable jurisdiction.

1 “(b) CONTENT.—Each report under this section for
2 a fiscal year shall—

3 “(1) describe the use of grant amounts provided
4 to the grantee for such fiscal year;

5 “(2) to the extent practicable until the develop-
6 ment of a reasonable methodology by the Secretary
7 and the Interagency Council on the Homeless, de-
8 scribe the number of homeless persons and families,
9 including populations with special needs provided
10 shelter, housing, or assistance using such grant
11 amounts;

12 “(3) assess the relationship of such use to the
13 goals identified pursuant to section 105(b)(2) of the
14 Cranston-Gonzalez National Affordable Housing Act
15 in the comprehensive housing affordability strategy
16 for the applicable jurisdiction;

17 “(4) indicate the grantee’s programmatic ac-
18 complishments;

19 “(5) describe how the grantee would change its
20 programs as a result of its experiences; and

21 “(6) describe any delays that occurred in the
22 startup of programs and the reason for each delay.

23 “(c) SUBMISSION.—The Secretary shall establish
24 dates for submission of reports under this section and re-
25 view such reports and make such recommendations as the

1 Secretary considers appropriate to carry out the purposes
2 of this title. The Secretary may withhold or reallocate
3 funds granted to a grantee if the Secretary finds that the
4 grantee has complied with applicable program require-
5 ments, but not substantially complied with the application
6 that the grantee submitted to obtain such funds.

7 “(d) PUBLIC AVAILABILITY.—

8 “(1) IN GENERAL.—A grantee preparing a re-
9 port under this section shall make the report pub-
10 licly available to the citizens in the jurisdiction of
11 the grantee in sufficient time to permit such citizens
12 to comment on such report prior to its submission
13 to the Secretary, and in such manner and at such
14 times as the grantee may determine. The report
15 shall include a summary of any such comments re-
16 ceived by the grantee regarding its program.

17 “(2) ELECTRONIC ACCESS.—A grantee may
18 comply with the requirement under paragraph (1) by
19 making the report available through interactive com-
20 puter or telephone services or other electronic infor-
21 mation networks and systems appropriate for mak-
22 ing such information widely publicly available. The
23 Secretary shall make each final report submitted
24 under this section publicly available through such a

1 computer, telephone, or information service, net-
2 work, or system.

3 “(e) **AUTHORITY OF SECRETARY.**—The Secretary
4 shall establish procedures appropriate and practicable for
5 providing a fair hearing and timely resolution of citizen
6 complaints related to performance reports under this sec-
7 tion.

8 **“SEC. 432. ANNUAL REPORT BY SECRETARY.**

9 “The Secretary shall include in the annual report,
10 under section 8 of the Department of Housing and Urban
11 Development Act, information summarizing the activities
12 carried out under this title and setting forth the findings,
13 conclusions, and recommendations of the Secretary as a
14 result of the activities. Such information shall be made
15 publicly available through interactive computer or tele-
16 phone services or other electronic information networks
17 and systems appropriate for making such information
18 widely available to the public.

19 **“SEC. 433. DEFINITIONS.**

20 “For purposes of this title, the following definitions
21 shall apply:

22 “(1) **APPLICANT.**—The term ‘applicant’ means
23 an eligible grantee that submits an application under
24 section 408(a) for a grant under this title.

1 “(2) ELIGIBLE GRANTEE.—The term ‘eligible
2 grantee’ is defined in section 403.

3 “(3) FACILITY.—The term ‘facility’ means a
4 structure or structures (or a portion of such struc-
5 ture or structures) that are assisted through eligible
6 activities under subtitle C with grant amounts under
7 this title (or for which the Secretary provides tech-
8 nical assistance under section 421(a)(9)).

9 “(4) GRANTEE.—The term ‘grantee’ means an
10 applicant that receives a grant under this title.

11 “(5) INSULAR AREA.—The term ‘insular area’
12 means each of the Virgin Islands, Guam, American
13 Samoa, the Northern Mariana Islands, and any
14 other territory or possession of the United States.

15 “(6) METROPOLITAN CITY, CONSORTIUM.—The
16 term ‘metropolitan city’ has the meaning given that
17 term in section 102 of the Housing and Community
18 Development Act of 1974. A consortium of units of
19 general local governments shall be considered to be
20 a metropolitan city—

21 “(A) for amounts allocated in accordance
22 with section 406(c)(3), only if the consortium
23 received funds for fiscal year 1998 or 1999
24 under subtitle B of this title, as then in effect;
25 and

1 “(B) for amounts allocated in accordance
2 with any formula developed pursuant to section
3 406(c)(5), only if the Secretary determines that
4 the consortium—

5 “(i)(I) is comprised of units of general
6 local government which are geographically
7 contiguous (which may include all units of
8 general local government within a State);

9 “(II) has sufficient authority and ad-
10 ministrative capability to carry out the
11 purposes of this title on behalf of its mem-
12 ber jurisdictions; and

13 “(III) will, according to a written cer-
14 tification by the State (or States, if the
15 consortium includes jurisdictions in more
16 than one State) in which its member juris-
17 dictions are located, direct its activities to
18 alleviation of homelessness problems within
19 the State (or States); or

20 “(ii) received funds for fiscal year
21 1998 or 1999 under subtitle B of this title,
22 as then in effect.

23 “(7) NONENTITLEMENT AREA.—The term ‘non-
24 entitlement area’ means an area that is not a metro-

1 politan city or part of an urban county and does not
2 include Indian tribes or insular areas.

3 “(8) OPERATING COSTS.—The term ‘operating
4 costs’ means expenses incurred by a grantee operat-
5 ing supportive housing assisted with grant amounts
6 under this title, with respect to—

7 “(A) the administration, maintenance, re-
8 pair, and security of such housing;

9 “(B) utilities, fuel, furnishings, and equip-
10 ment for such housing; and

11 “(C) the conducting of the assessment
12 under section 408(b)(2).

13 “(9) OUTPATIENT HEALTH SERVICES.—The
14 term ‘outpatient health services’ means outpatient
15 health care, outpatient mental health services, out-
16 patient substance abuse services, and case manage-
17 ment.

18 “(10) PERSON WITH DISABILITIES.—The term
19 ‘person with disabilities’ means a person who—

20 “(A) has a disability as defined in section
21 223 of the Social Security Act;

22 “(B) is determined to have, pursuant to
23 regulations issued by the Secretary, a physical,
24 mental, or emotional impairment which (i) is
25 expected to be of long, continued, and indefinite

duration, (ii) substantially impedes an individual's ability to live independently, and (iii) is of such a nature that such ability could be improved by more suitable housing conditions; or

“(C) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

“(11) PRIVATE NONPROFIT ORGANIZATION.—

The term ‘private nonprofit organization’ means any private organization that—

“(A) is organized under State or local laws;

“(B) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;

“(C) complies with standards of financial accountability acceptable to the Secretary; and

“(D) has among its purposes significant activities related to the provision of—

1 “(i) decent housing that is affordable
2 to low-income and moderate-income fami-
3 lies; or

4 “(ii) shelter, housing, or services for
5 homeless persons or families or for persons
6 or families at risk of becoming homeless.

7 “(12) PROJECT SPONSOR.—The term ‘project
8 sponsor’ means an entity that uses grant amounts
9 under this title to carry out a permanent housing
10 development program under subtitle B or eligible ac-
11 tivities under subtitle C. The term includes a grant-
12 ee carrying out such a program or activities.

13 “(13) SECRETARY.—The term ‘Secretary’
14 means the Secretary of Housing and Urban Develop-
15 ment.

16 “(14) STATE.—The term ‘State’ means each of
17 the several States and the Commonwealth of Puerto
18 Rico.

19 “(15) SUPPORTIVE HOUSING.—The term ‘sup-
20 portive housing’ means a facility that meets the re-
21 quirements of section 423.

22 “(16) SUPPORTIVE SERVICES.—The term ‘sup-
23 portive services’ means services under section 409.

24 “(17) URBAN COUNTY, UNIT OF GENERAL
25 LOCAL GOVERNMENT.—The terms ‘urban county’

1 and ‘unit of general local government’ have the
2 meanings given the terms in section 102 of the
3 Housing and Community Development Act of 1974.

4 “(18) VERY LOW-INCOME FAMILIES.—The term
5 ‘very low-income families’ has the same meaning
6 given the term under section 3(b) of the United
7 States Housing Act of 1937 (or any other subse-
8 quent provision of Federal law defining such term
9 for purposes of eligibility for, or rental charges in,
10 public housing).

11 **“SEC. 434. REGULATIONS.**

12 “(a) ISSUANCE.—Not later than the expiration of the
13 30-day period beginning upon the date of the enactment
14 of the Homeless Housing Programs Consolidation and
15 Flexibility Act, the Secretary shall issue interim regula-
16 tions to carry out this title. The Secretary shall issue final
17 regulations to carry out this title after notice and oppor-
18 tunity for public comment regarding the interim regula-
19 tions in accordance with the procedure under section 553
20 of title 5, United States Code, applicable to substantive
21 rules (notwithstanding subsections (a)(2), (b)(B), and
22 (d)(3) of such section), but not later than the expiration
23 of the 90-day period beginning upon the date of the enact-
24 ment of the Homeless Housing Programs Consolidation
25 and Flexibility Act.

1 “(b) RULE OF CONSTRUCTION.—Any failure by the
2 Secretary to issue any regulations under this section shall
3 not affect the effectiveness of any provision of this title
4 pursuant to section 4(b) of the Homeless Housing Pro-
5 grams Consolidation and Flexibility Act.

6 **“SEC. 435. AUTHORIZATION OF APPROPRIATIONS.**

7 “(a) IN GENERAL.—There are authorized to be ap-
8 propriated for grants under this title \$1,020,000,000 for
9 fiscal year 2000 and such sums as may be necessary for
10 each of fiscal years 2001, 2002, 2003, and 2004.

11 “(b) PROHIBITION ON SET ASIDES.—Notwithstand-
12 ing any other provision of law, any attempt to put any
13 restriction on the use of funds appropriated for this title
14 (such as for use in special projects) shall be considered
15 an appropriation without authorization and shall be with-
16 out force or effect.”.

17 (b) APPLICABILITY.—The provisions of the amend-
18 ment made by subsection (a) shall apply with respect to
19 fiscal year 2000 and each fiscal year thereafter.

20 **SEC. 6. INTERAGENCY COUNCIL ON THE HOMELESS.**

21 (a) CHAIRPERSON AND VICE CHAIRPERSON.—Sec-
22 tion 202(b) of the Stewart B. McKinney Homeless Assist-
23 ance Act (42 U.S.C. 11312(b)) is amended to read as fol-
24 lows:

25 “(b) CHAIRPERSON AND VICE CHAIRPERSON.—

1 “(1) CHAIRPERSON.—The Council shall elect a
2 Chairperson from among its members, who shall
3 have a term of 2 years. A member of the Council by
4 reason of any of paragraphs (1) through (16) of
5 subsection (a) who serves as Chairperson for a term
6 may not be elected to serve as Chairperson for the
7 succeeding term. The preceding sentence shall not
8 apply to any member serving as Chairperson on the
9 date of the enactment of the Homeless Housing Pro-
10 grams Consolidation and Flexibility Act.

11 “(2) VICE CHAIRPERSON.—The Vice Chair-
12 person of the Council shall have a term of 2 years
13 and shall be—

14 “(A) the Secretary of Housing and Urban
15 Development, if such Secretary is not elected as
16 the Chairperson of the Council; or

17 “(B) elected by the Council from among its
18 members, if the Secretary of Housing and
19 Urban Development is elected as the Chair-
20 person of the Council.

21 “(3) Notwithstanding paragraphs (1) and (2),
22 the first Chairperson elected after the date of the
23 enactment of the Homeless Housing Programs Con-
24 solidation and Flexibility Act may not be the Sec-
25 retary of Housing and Urban Development.”.

1 (b) AUTHORIZATION OF APPROPRIATIONS.—Section
2 208 of the Stewart B. McKinney Homeless Assistance Act
3 (42 U.S.C. 11318) is amended to read as follows:

4 **“SEC. 208. AUTHORIZATION OF APPROPRIATIONS.**

5 “Of any amounts made available in any fiscal year
6 to carry out this Act, 0.0012 of such amounts shall be
7 available to carry out this title.”.

8 (c) TERMINATION.—Section 209 of the Stewart B.
9 McKinney Homeless Assistance Act (42 U.S.C. 11319) is
10 amended by striking “October 1, 1994” and inserting
11 “October 1, 2004”.

12 (d) REPEAL.—Section 210 of the Stewart B. McKin-
13 ney Homeless Assistance Act (42 U.S.C. 11320) is hereby
14 repealed.

15 **SEC. 7. INVENTORY OF FEDERAL FACILITIES SUITABLE**
16 **FOR OVERNIGHT SHELTER FOR HOMELESS**
17 **PERSONS.**

18 (a) IDENTIFICATION.—Not later than 30 days after
19 the date of the enactment of this Act, the Secretary of
20 Housing and Urban Development shall request, from the
21 head of each executive agency, information that identifies
22 each covered facility (or any parts thereof) under the con-
23 trol of the executive agency that is suitable for use as tem-
24 porary overnight shelter for homeless persons.

1 (b) CONSULTATION.—At the request of the head of
2 any executive agency, the Secretary shall consult with such
3 agency head regarding whether facilities of the agency, or
4 a particular facility or facilities, are covered facilities or
5 are suitable for use as temporary overnight shelter for
6 homeless persons.

7 (c) COMPILATION AND PUBLICATION.—Not later
8 than 60 days after the date of the enactment of this Act,
9 the Secretary shall compile the information submitted pur-
10 suant to subsection (a) and cause the compiled informa-
11 tion to be published in the Federal Register a list of all
12 covered facilities identified as suitable for use as tem-
13 porary overnight shelter for homeless persons.

14 (d) DEFINITIONS.—For purposes of this section, the
15 following definitions shall apply:

16 (1) COVERED FACILITY.—The term “covered
17 facility” means any building, structure, land, or
18 other real property that, in the determination of the
19 head of the Federal agency having control of the
20 property, using standards that shall be established
21 by the Secretary, reasonably could be made available
22 for the use described in subsection (a) without sub-
23 stantial conflict with any other existing, expected, or
24 potential use of the property to carry out the mis-
25 sion of the agency.

1 (2) EXECUTIVE AGENCY.—The term “executive
2 agency” has the meaning given such term in section
3 105 of title 5, United States Code.

4 (3) HOMELESS PERSON.—The term “homeless
5 person” has the meaning given such term in section
6 102 of the Stewart B. McKinney Homeless Assist-
7 ance Act (42 U.S.C. 11302).

8 (4) SECRETARY.—The term “Secretary” means
9 the Secretary of Housing and Urban Development.

10 **SEC. 8. REPEALS AND CONFORMING AMENDMENTS.**

11 (a) REPEALS.—The following provisions of law are
12 hereby repealed:

13 (1) INNOVATIVE HOMELESS INITIATIVES DEM-
14 ONSTRATION.—Section 2 of the HUD Demonstra-
15 tion Act of 1993 (42 U.S.C. 11301 note).

16 (2) FHA SINGLE FAMILY PROPERTY DISPOSI-
17 TION FOR HOMELESS USE.—Section 1407 of the
18 Housing and Community Development Act of 1992
19 (Public Law 102–550; 106 Stat. 4034).

20 (3) HOUSING FOR RURAL HOMELESS AND MI-
21 GRANT FARMWORKERS.—Subsection (k) of section
22 516 of the Housing Act of 1949 (42 U.S.C.
23 1486(k)).

24 (b) TERMINATION OF SRO ASSISTANCE PROGRAM.—
25 Section 8(e)(2) of the United States Housing Act of 1937

1 shall not be in effect on or after the date of the enactment
 2 of this Act as provided in subsections (a)(4) and (b)(2)
 3 of section 289 of the Cranston-Gonzalez National Afford-
 4 able Housing Act (42 U.S.C. 12839).

5 (c) CONFORMING AMENDMENTS TO YOUTHBUILD
 6 PROGRAM.—Title IV of the Cranston-Gonzalez National
 7 Affordable Housing Act is amended—

8 (1) in section 455(b) (42 U.S.C. 12899d(b)) by
 9 inserting “subtitle C of” before “title IV”; and

10 (2) in section 457(4) (42 U.S.C. 12899f(4)), by
 11 striking “section 103” and inserting “section 102”.

12 (d) CLERICAL AMENDMENT.—The table of contents
 13 in section 101(b) of the Stewart B. McKinney Homeless
 14 Assistance Act is amended by striking the items relating
 15 to titles I, II, III, and IV (including the items relating
 16 to the subtitles, parts, and sections of such titles) and in-
 17 serting the following new items:

“TITLE I—GENERAL PROVISIONS

- “Sec. 101. Short title and table of contents.
- “Sec. 102. General definition of homeless individual.
- “Sec. 103. Funding availability and limitations.
- “Sec. 104. Annual program summary by Comptroller General.

“TITLE II—INTERAGENCY COUNCIL ON THE HOMELESS

- “Sec. 201. Establishment.
- “Sec. 202. Membership.
- “Sec. 203. Functions.
- “Sec. 204. Director and staff.
- “Sec. 205. Powers.
- “Sec. 206. Transfer of functions.
- “Sec. 207. Definitions.
- “Sec. 208. Authorization of appropriations.
- “Sec. 209. Termination.

“TITLE III—FEDERAL EMERGENCY MANAGEMENT FOOD AND
SHELTER PROGRAM

“Subtitle A—Administrative Provisions

- “Sec. 301. Emergency Food and Shelter Program National Board.
- “Sec. 302. Local boards.
- “Sec. 303. Role of Federal Emergency Management Agency.
- “Sec. 304. Records and audit of National Board and grantees of assistance.
- “Sec. 305. Annual report.

“Subtitle B—Emergency Food and Shelter Grants

- “Sec. 311. Grants by the Director.
- “Sec. 312. Retention of interest earned.
- “Sec. 313. Purposes of grants.
- “Sec. 314. Limitation on certain costs.
- “Sec. 315. Disbursement of funds.
- “Sec. 316. Program guidelines.

“Subtitle C—General Provisions

- “Sec. 321. Definitions.
- “Sec. 322. Authorization of appropriations.

“TITLE IV—PERMANENT HOUSING DEVELOPMENT AND
FLEXIBLE BLOCK GRANT HOMELESS ASSISTANCE PROGRAM

“Subtitle A—General Provisions

- “Sec. 401. Purpose; performance measures.
- “Sec. 402. Grant authority.
- “Sec. 403. Eligible grantees.
- “Sec. 404. Use of project sponsors.
- “Sec. 405. Comprehensive housing affordability strategy compliance.
- “Sec. 406. Allocation and availability of amounts.
- “Sec. 407. Matching funds requirement.
- “Sec. 408. Program requirements.
- “Sec. 409. Supportive services.
- “Sec. 410. Nondiscrimination in programs and activities.

“Subtitle B—Permanent Housing Development Activities

- “Sec. 411. Use of amounts and general requirements.
- “Sec. 412. Permanent housing development.

“Subtitle C—Flexible Block Grant Homeless Assistance

- “Sec. 421. Eligible activities.
- “Sec. 422. Use of amounts through private nonprofit providers.
- “Sec. 423. Supportive housing.
- “Sec. 424. Emergency shelter.

“Subtitle D—Reporting, Definitions, and Funding

- “Sec. 431. Performance reports by grantees.
- “Sec. 432. Annual report by Secretary.
- “Sec. 433. Definitions.

"Sec. 434. Regulations.

"Sec. 435. Authorization of appropriations.".

1 **SEC. 9. SAVINGS PROVISION.**

2 Nothing in this Act may be construed to affect the
3 validity of any right, duty, or obligation of the United
4 States or other person arising under or pursuant to any
5 commitment or agreement entered into before the date of
6 the enactment of this Act under any provision of law re-
7 pealed or amended by this Act.

8 **SEC. 10. TREATMENT OF PREVIOUSLY OBLIGATED**
9 **AMOUNTS.**

10 Notwithstanding the amendment or repeal of any
11 provision of law by this Act, any amounts appropriated
12 to carry out the provisions so amended or repealed that
13 are obligated before the date of the enactment of this Act
14 shall be used in the manner provided, and subject to any
15 requirements and agreements entered into, under such
16 provisions as such provisions were in effect immediately
17 before such date of enactment.

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